

United States Court of Appeals  
for the Fifth Circuit

United States Court of Appeals  
Fifth Circuit

**FILED**

January 11, 2022

Lyle W. Cayce  
Clerk

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No. 21-50660  
Summary Calendar

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INMOBILIARIA BUDA S. DE R.L. DE C.V.; INMOBILIARIA DONA  
LUCHA S. DE R.L. DE C.V.,

*Plaintiffs—Appellants,*

*versus*

SARAH ELLEN BROWN; CALEB PRESTON; JENNIFER CAMPBELL,

*Defendants—Appellees.*

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Appeal from the United States District Court  
for the Western District of Texas  
USDC No. 1:20-CV-806

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Before HIGGINBOTHAM, HIGGINSON, and DUNCAN, *Circuit Judges.*

PER CURIAM:\*

The district court granted Defendants' motion to dismiss and dismissed Plaintiffs' claims with prejudice. We affirm.

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\* Pursuant to 5TH CIRCUIT RULE 47.5, the court has determined that this opinion should not be published and is not precedent except under the limited circumstances set forth in 5TH CIRCUIT RULE 47.5.4.

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Plaintiffs Inmobiliaria Buda S. de R.L.de C.V. and Inmobiliaria Dona Lucha S. de R.L. de C.V. own and develop real estate in the Tulum and Playa Del Carmen areas of Mexico. Defendants Sarah Ellen Brown, Caleb Preston, and Jennifer Campbell are employees, relatives, or both of Plaintiffs' former business partner Tobias James Preston.

In 2018, Plaintiffs discovered Defendants Preston and Campbell had signed two promissory notes creating obligations of \$1.4 and \$2.45 million between Plaintiffs and companies owned by Tobias James Preston. The notes listed Defendant Brown as the person of record who transferred the promissory notes, allegedly without authorization.

In July 2020, Plaintiffs sued Defendants for fraud, seeking damages in the amount of the notes and a declaration that the notes are fraudulent and therefore void. Plaintiffs amended their complaint in February 2021. Defendants moved to dismiss, and Plaintiffs cross-moved for leave to file a second amended complaint. The district court granted Plaintiffs' cross-motion, ordered Plaintiffs to refile the proposed second amended complaint submitted with their motion as a separate document, denied Defendants' motion to dismiss without prejudice, and directed the parties to submit a proposed scheduling order. Plaintiffs did not file their second amended complaint, and the parties did not file a proposed scheduling order.

Defendants again moved to dismiss, arguing failure to state a claim, lack of personal jurisdiction, improper venue, and lack of service as to Preston and Campbell. *See* FED. R. CIV. P. 12(b)(2), (3), (5), (6). Plaintiffs did not respond, so the district court deemed Defendants' motion unopposed. The court granted the motion, dismissed Plaintiffs' claims with prejudice, and rendered final judgment. *Inmobiliaria Buda S. de R.L. de C.V. v. Brown*, No. 1:20-CV-806-LY, 2021 WL 3159681, at \*1 (W.D. Tex. June 21, 2021).

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Plaintiffs appealed, and Defendants filed an opposed motion to dismiss the appeal as frivolous. We ordered that motion carried with the case.

We review dismissals under Rules 12(b)(2), (3), and (6) *de novo* and dismissals under Rule 12(b)(5) for abuse of discretion. *Ghedi v. Mayorkas*, 16 F.4th 456, 463 (5th Cir. 2021); *Gezu v. Charter Commc'ns*, 17 F.4th 547, 552 (5th Cir. 2021); *Patterson v. Aker Sols. Inc.*, 826 F.3d 231, 233 (5th Cir. 2016); *Lindsey v. U.S. R.R. Ret. Bd.*, 101 F.3d 444, 445 (5th Cir. 1996). We review the denial of leave to amend for abuse of discretion. *Lampkin v. UBS Fin. Servs., Inc.*, 925 F.3d 727, 733 (5th Cir. 2019).

Plaintiffs argue the district court erroneously dismissed their claims with prejudice based solely on their failure to respond to Defendants' motion. We disagree. The court's order explains that it "reviewed the motion[], record, and applicable law" and "conclude[d] that the motion to dismiss should be granted." A district court need not explain its reasons for granting a motion under Rule 12. *See* FED. R. CIV. P. 52(a)(3). An unexplained decision "need not preclude affirmance if there are obvious reasons justifying the district court's decision." *Horton v. Goose Creek Indep. Sch. Dist.*, 690 F.2d 470, 484 (5th Cir. 1982) (collecting cases). That is the case here.

To begin with, Plaintiffs have abandoned any challenge to the merits of the district court's ruling by not arguing grounds for reversal in their brief. *See Tenny v. Dretke*, 416 F.3d 404, 407 & n.20 (5th Cir. 2005); *Cinel v. Connick*, 15 F.3d 1338, 1345 (5th Cir. 1994). In any event, there are "obvious reasons" justifying dismissal of Plaintiffs' claims, as set forth in Defendants' motion to dismiss. Furthermore, because Plaintiffs once amended their complaint and later failed to file their second amended complaint as ordered by the district court, we find no abuse of discretion in the court's decision to dismiss with prejudice. *See Schiller v. Physician's Resource Grp. Inc.*, 342 F.3d 563, 567 (5th Cir. 2003); *U.S. ex rel. Willard v. Humana Health Plan of Tex.*

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*Inc.*, 336 F.3d 375, 387 (5th Cir. 2003) (affirming dismissal with prejudice after two opportunities to amend).

The district court's judgment is AFFIRMED. Defendants' pending motion to dismiss the appeal is DENIED AS MOOT.